

Message Text

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PAGE 01 WELLIN 01054 170000Z

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ACTION EB-07

INFO OCT-01 EA-06 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00

DOTE-00 INR-07 NSAE-00 FAA-00 L-02 PA-01 PRS-01

USIA-06 /033 W

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R 162325Z APR 75

FM AMEMBASSY WELLINGTON

TO SECSTATE WASHDC 9505

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E.O. 11652: N/A

TAGS: EAIR, NZ

SUBJ: PAN AM'S MOVE TO INCREASE TRAVEL AGENTS COMMISSION

1. PAN AM DIRECTOR FOR NEW ZEALAND, DAVID MORGAN, INFORMED ECON/COMM COUNSELOR THAT PAN AM HAD GIVEN NOTICE TO GNZ CIVIL AVIATION DIVISION (CAD) ON APRIL 14 THAT EFFECTIVE IMMEDIATELY PAN AM WAS OFFERING AN ADDED INCENTIVE TO AGENTS FOR ALL TRAFFIC OFFERING OVER THE PAN AM ROUTES. ON APRIL 15 MORGAN RECEIVED THE FOLLOWING TELEX FROM FRASER NORTON, CONTROLLER OF AIR SERVICES POLICY:

QUOTE YOUR INFORMAL ADVICE OF YESTERDAY THAT PAN AMERICAN INTENDS INCJEASING WITH IMMEDIATE EFFECTIVENESS THE IATA AGREED RATE OF COMMISSION TO BE PAID TO TRAVEL AGENTS IS NOTED. YOUR ATTENTION IS DRAWN TO THE RELEVANT ARTICLES OF THE NZ-USA AIR TRANSPORT AGREEMENT AND TO SPECIAL CONDITION B (B) OF YOUR INTERNATIONAL AIR SERVICE LICENCE ISSUED PURSUANT TO THE AGREEMENT WHICH READS AS FOLLOWS:

B. UNLESS THEY ARE IN FULL COMPLIANCE WITH EFFECTIVE IATA RESOLUTIONS AND NEW ZEALAND GOVERNMENT RESERVATIONS THEREON AND DIRECTIVES THE LICENSEE
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PAGE 02 WELLIN 01054 170000Z

SHALL FILE WITH THE SECRETARY FOR TRANSPORT TARIFFS
SHOWING:

(A) ALL FARES TO BE CHARGED FOR THE CARRIAGE OF GOODS BETWEEN ANY TWO POINTS ON THE ROUTE FOLLOWED AND BETWEEN POINTS ON THIS ROUTE AND POINTS ON THE ROUTE OF ANY OTHER CARRIER WHEN THROUGH FARES AND THROUGH CHARGES HAVE BEEN ESTABLISHED.

(B) THE RULES AFFECTING THESE FARES AND CHARGES ON THE LICENSED INTERNATIONAL AIR SERVICE UNLESS DISAPPROVED BY THE SECRETARY THE AGENCY INCENTIVE COMMISSIONS PROGRAMME CANNOT BECOME EFFECTIVE UNTIL 30 DAYS AFTER RECEIPT OF FILING. PENDING RECEIPT OF A FORMAL FILING IN TERMS OF YOUR INTERNATIONAL AIR SERVICE LICENSE AND THE EXPIRATION OF THE 30 DAY NOTIFICATION PERIOD FOR DISAPPROVAL YOU ARE DIRECTED TO DESIST FROM OFFERING THE ADDED INCENTIVE TO AGENTS FOR ALL TRAFFIC OFFERING OVER THE AUTHORISED ROUTE SCHEDULE CONTAINED IN YOUR LICENSE. UNQUOTE.

2. MORGAN TOLD ECON/COMM COUNSELOR THAT PRIOR TO THIS ACTION PAN AM HAD DENOUNCED THE IATA AGREED RATE OF COMMISSION TO BE PAID TRAVEL AGENTS. THEREFORE PAN AM DID NOT CONSIDER ITSELF BOUND BY IATA RATES. HE SAID THAT PAN AM HAD, PRIOR TO THIS ATTEMPTED TO GET IATA ACTION IN CHANGING THE RATE SYSTEM BUT HAD NOT BEEN SUCCESSFUL. MORGAN ALSO POINTED OUT THAT THE SPECIAL CONDITION B OF PAN AM'S INTERNATIONAL AIR SERVICE LICENSE ISSUED PURSUANT TO THE NZ-USA AIR TRANSPORT AGREEMENT DOES NOT MENTION COMMISSIONS. IT CONCERNS RULES ON TARIFFS.

3. MORGAN SAID THAT HE HAD NOTIFIED PAN AM, NEW YORK WITH A REQUEST FOR INSTRUCTIONS ON WHAT STEPS HE SHOULD TAKE IN RESPONSE TO NORTON'S ABOVE QUOTED TELEX MESSAGE. HE SAID HE WAS NOTIFYING THE EMBASSY BECAUSE THERE COULD BE A REQUEST MADE OF THE EMBASSY TO TAKE ACTION.

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PAGE 03 WELLIN 01054 170000Z

KILLGORE

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Message Attributes

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Control Number: n/a
Copy: SINGLE
Draft Date: 16 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MartinML
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Enclosure: n/a
Executive Order: N/A
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